Claude Loan

2026 STATE GUIDE

Conventional Loans in Delaware: The Numbers

Conforming limit, down payment and monthly cost on the state median at 3%, 5%, 10% and 20% down, the month PMI ends, and the Delaware rules that touch the loan.

A conventional loan in Delaware follows Fannie Mae and Freddie Mac's national rules; the state supplies the prices, the taxes and the closing customs. This guide works the numbers on the state median and lists the Delaware rules that touch the loan.

Delaware at a glance

Conforming limit (2026, one unit)	$832,750 baseline — higher in any FHFA high-cost county
Median home price (approx.)	$390,000
Property tax (effective)	about 0.57% — roughly $2,223 a year on the median
Closing practice	Attorney closing state
Transfer / recording taxes	Delaware's realty transfer tax is 4% of the price (2.5% state plus 1.5% local), customarily split equally between buyer and seller; first-time buyers receive a reduction of 0.5% on the state portion for the first $400,000 of price.

Conforming or jumbo?

A one-unit loan above $832,750 is jumbo in Delaware in 2026. With 20% down you can buy up to about $1,040,938 and stay conforming; with 5% down, up to about $876,579. On the $390,000 median, a 20% down loan of $312,000 is inside the limit. Check your county on FHFA's lookup (fhfa.gov); two- to four-unit homes have higher limits.

What it costs on the Delaware median

Illustrative 6.5% 30-year fixed rate, principal and interest; mortgage insurance at typical market rates by down payment (credit score moves it); property tax at the state's approximate 0.57% effective rate. Add homeowners insurance and any HOA. Not an offer.

Down payment	Cash down	Loan	P&I	PMI (est.)	Tax	Monthly total
3%	$11,700	$378,300	$2,391	$284	$185	**$2,860**
5%	$19,500	$370,500	$2,342	$232	$185	**$2,759**
10%	$39,000	$351,000	$2,219	$146	$185	**$2,550**
20%	$78,000	$312,000	$1,972	—	$185	**$2,157**

When PMI ends

Under the federal Homeowners Protection Act you may request cancellation at 80% of the original value; the servicer must cancel at 78% and, if you are current, at the loan's midpoint. On scheduled payments alone at

6.5%:

Down payment	Monthly PMI (est.)	80% reached (request)	78% reached (automatic)	PMI paid by then (est.)
3%	$284	about 11 years and 1 months	about 12 years	$37,772
5%	$232	about 10 years and 4 months	about 11 years and 3 months	$28,768
10%	$146	about 7 years and 11 months	about 9 years and 1 months	$13,870

> **Shorten the clock.** Extra principal payments, or a cancellation request based on a new appraisal after enough seasoning (Fannie Mae and Freddie Mac typically allow 75% LTV after two years or 80% after five on current value), end PMI sooner than the schedule.

Closing in Delaware

Delaware requires a Delaware-licensed attorney to conduct or supervise real estate closings and to prepare the deed and mortgage, a rule the Delaware Supreme Court confirmed in 2000 when it found that a non-lawyer settlement company was engaged in unauthorized practice. The settlement attorney orders the title search, issues the title policy as agent and disburses at a wet-funded roundtable closing. Attorney settlement fees typically run in the low four figures on top of title premiums.

Delaware levies no mortgage recording tax and no intangible tax; the mortgage is recorded at the county Recorder of Deeds for a per-page fee. The realty transfer tax on the deed is 4% in most jurisdictions (2.5% state plus up to 1.5% county or municipal), customarily split between buyer and seller, with a reduction in the state portion for first-time buyers on the first $400,000 of price. A refinance therefore incurs recording fees only. The 4% transfer tax makes Delaware one of the most expensive states to close in: a buyer's customary 2% share plus attorney and title fees often totals 4% to 5% of the price, reduced somewhat by the first-time buyer exemption.

Delaware rules that touch a conventional loan

Prepayment. Delaware's lender-friendly code lets licensed lenders charge the interest and fees agreed in writing (5 Del. C. ch. 22), so a prepayment penalty is enforceable if the note provides for it and federal qualified-mortgage limits are not exceeded. There is no state statute that bans such penalties on residential mortgages outright. The Office of the State Bank Commissioner can confirm whether a specific licensee's fee schedule complies.

Spouses and title. Delaware is a separate-property state that abolished dower and curtesy; a spouse who is not on title has no automatic interest and is not required to sign the mortgage. A deed to a married couple is presumed to create a tenancy by the entirety, which protects the home from the separate creditors of one spouse but not from a mortgage both signed. Survivorship between unmarried co-owners must be expressly stated.

Homestead. Delaware had no homestead exemption until 2005; today 10 Del. C. § 4914(c)(1) protects $125,000 of equity in the principal residence from judgment creditors, an amount the legislature raised in 2012 and has left unchanged since. The exemption cannot be used against a mortgage, property tax or a condominium or HOA lien. Delaware has no state property tax and no general homestead exemption from county and school taxes; the Senior School Property Tax Credit gives homeowners 65 and older a credit against school taxes of up to a few hundred dollars after a multi-year residency requirement, and the three counties completed their first general reassessments in decades in the mid-2020s, which is reshaping bills.

Your Delaware checklist

- [ ] Pull a tri-merge credit report; conventional pricing steps at 680, 700, 720, 740 and 760 — know your middle score before you shop.
- [ ] Decide the down payment with the table above: the monthly total, not the cash down, is what the lender qualifies you on.
- [ ] Confirm the conforming limit for your county on FHFA’s site; structure the loan to stay under it if you can.
- [ ] Get three Loan Estimates on the same day at the same rate and zero points; compare Section A fees line by line.
- [ ] Ask whether the automated underwriting returned an appraisal waiver — it saves money and time.
- [ ] Calendar the month your balance reaches 80% of the purchase price and send the PMI cancellation request in writing.
- [ ] Read the Delaware closing customs above and budget the recording and transfer taxes.
- [ ] After closing, file the homestead exemption with your county if the state has one.

The method, in five steps

1. Find your county’s conforming loan limit on FHFA’s site; above it, you are shopping jumbo rules.
2. Know your middle credit score from a tri-merge pull — pricing steps at 680, 700, 720, 740 and 760.
3. Compute your back-end DTI with the full housing payment (taxes, insurance, PMI, HOA), not just principal and interest.
4. Compare three Loan Estimates at the same rate and zero points; compare Section A fees line by line.
5. If you put less than 20% down, calendar the month your balance reaches 80% of the original value — that is when you can request PMI cancellation.

Keep reading on Claude Loan

- Conventional loan requirements: credit, down payment, DTI, reserves, property — https://claude-loan.com/guides/conventional-loan-requirements/

- Conventional vs FHA vs VA vs USDA: the four loan types compared — https://claude-loan.com/guides/conventional-vs-fha-vs-va-vs-usda/
- Conforming loan limits: how the FHFA number works and what happens above it — https://claude-loan.com/guides/conforming-loan-limits/
- 30-year vs 15-year mortgage: the real trade-off, with the numbers — https://claude-loan.com/guides/30-year-vs-15-year-mortgage/
- ARM vs fixed-rate mortgage: when an adjustable rate makes sense — https://claude-loan.com/guides/arm-vs-fixed-rate/
- Jumbo loans: requirements, rates and how they differ from conforming — https://claude-loan.com/guides/jumbo-loans/

Sources

- Fannie Mae — Selling Guide — https://selling-guide.fanniemae.com/
- Freddie Mac — Seller/Servicer Guide — https://guide.freddiemac.com/
- FHFA — Conforming loan limits — https://www.fhfa.gov/data/conforming-loan-limit-cll-values